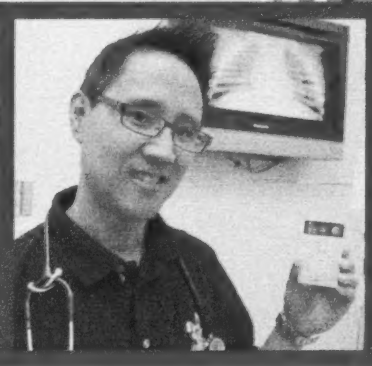
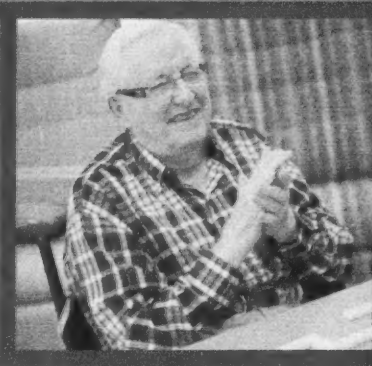
Alberta Health Services

ALBERTA HEALTH SERVICES

Health Plan and Business Plan

2014-2017



ALBERTA HEALTH SERVICES
HEALTH PLAN AND BUSINESS PLAN 2014-2017

Statement of Accountability

This three-year health plan for the period commencing April 1, in accordance with the Regional Health Authorities Act and direction provided by the Minister of Health.

The strategic directions and priorities of Alberta Health Services have been developed in the context of legislated responsibilities, the Alberta Health business plan, and provincial government expectations as communicated by the Minister.

Performance measures are included as the basis for assessing achievements.

The management of Alberta Health Services and I are committed to achieving the planned results laid out in this three-year health plan.

Respectfully submitted on behalf of Alberta Health Services,

[Original Signed by]

Janet M. Davidson, O.C., BScN, MHSA, LLD (HON)
Official Administrator, Alberta Health Services

September, 2014

Under Section 5 of the **Regional Health Authorities Act**, Alberta Health Services is required to:

i. promote and protect the health of the population in the health region and work toward the prevention of disease and injury,

ii. assess on an ongoing basis the health needs of the health region,

iii. determine priorities in the provision of health services in the health region and allocate resources accordingly,

iv. ensure that reasonable access to quality health services is provided in and through the health region and

v. promote the provision of health services in a manner that is responsive to the needs of individuals and communities and supports the integration of services and facilities in the health region.

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MESSAGE FROM THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

The Health Plan and Business Plan 2014-2017 is our roadmap to the delivery of health care in Alberta over the next several years. This document guides us in the decisions we make. It lays out the goals and specific actions that will continue to improve the high-quality health care we deliver to Albertans every day and helps us measure how far we have come in achieving those goals.

With the work of previous years behind us, we have moved beyond creating the business and organizational foundation for Alberta Health Services (AHS), and, through this plan, have focused our attention on what matters most – the care of Albertans.

Providing high-quality, sustainable health care is a challenge. It is a challenge everyone at AHS embraces with the health, wellness and care of our patients as their highest priority. Each day, the staff, physicians and volunteers of AHS rise to the challenge and provide excellent care for Albertans in a rapidly changing, and always demanding, environment.

We are using the shared experiences of health care providers and patients across this province, and what we hear from Albertans, to inform our decisions. We are working with our stakeholders and partners to improve health care in every corner of the province, and we are working to balance every initiative we are involved in with being fiscally responsible in how we deliver care. The care we provide is informed by research and evidence. We embrace and embed research and innovation in our work.

As we strive to achieve our goals, our work is grounded in our values. Our values of respect, accountability, transparency, engagement, safety, learning and performance drive quality patient care and guide the decisions we make every day.

This plan is designed to build on our current successes, focus our efforts on outcomes and quality, and help us improve the overall health of Albertans, no matter where they live, what stage of life they are in, or what their health care needs may be.

[Original Signed by]

Vickie Kaminski,
President and Chief Executive Officer
Alberta Health Services

WHO WE ARE

- We are the skilled and dedicated health professionals, support staff, volunteers and physicians who promote wellness, prevent disease and injury, and provide health care every day to a diverse population of approximately four million Albertans, as well as to some residents of Saskatchewan, British Columbia and the Northwest Territories.
- Alberta Health Services (AHS) is Canada's first and largest provincewide, fully-integrated health system. The creation of AHS supports consistent access to health services and standards and better coordination of services across the province.
- We bring together 12 formerly separate health entities in the province, including nine geographically based health authorities and the Alberta Alcohol and Drug Abuse Commission, Alberta Mental Health Board and Alberta Cancer Board. Also, ground and air ambulance services have been added to the responsibilities of AHS.
- AHS has 104,900 employees, including approximately 96,700 direct AHS employees (excluding Covenant Health staff) and over 8,200 staff working in AHS wholly-owned subsidiaries such as Carewest, CapitalCare Group and Calgary Laboratory Services. We are also supported by 15,470 volunteers and over 7,500 AHS medical staff.

Did You Know? We are one of the largest employers in Canada and have more employees than Microsoft Corporation (worldwide: almost 102,000).

- Students from Alberta's universities and colleges, as well as from universities and colleges outside of Alberta, receive clinical education in AHS facilities and community locations.
- We have 105 acute care hospitals, five stand-alone psychiatric facilities, 8,818 acute/sub-acute care beds, 22,867 continuing care beds/spaces and 202 community palliative and hospice beds, and 2,401 addiction and mental health beds, plus we work in partnership with 42 Primary Care Networks.

Did You Know? Over 2.1 million people were seen in Alberta's emergency departments and over 200,000 people were seen in urgent care centres in 2013-2014.

- Programs and services are offered at over 450 facilities throughout the province, including hospitals, clinics, continuing care facilities, mental health facilities and community health sites.

Did You Know? Almost 7,700 people were placed into continuing care living options and over 112,200 people received home care services in 2013-2014.

- The province also has an extensive network of community-based services designed to assist Albertans to maintain or improve health status.

Did You Know? Health Link Alberta had over one million client/patient contacts, there were over 1.5 million on-line visits to MyHealth.Alberta.ca and over 1,157,500 seasonal influenza immunizations were administered in 2013-2014.

OUR VALUES

Our work is grounded in our values. Our values guide the decisions we make in relation to our strategic directions and their associated actions.

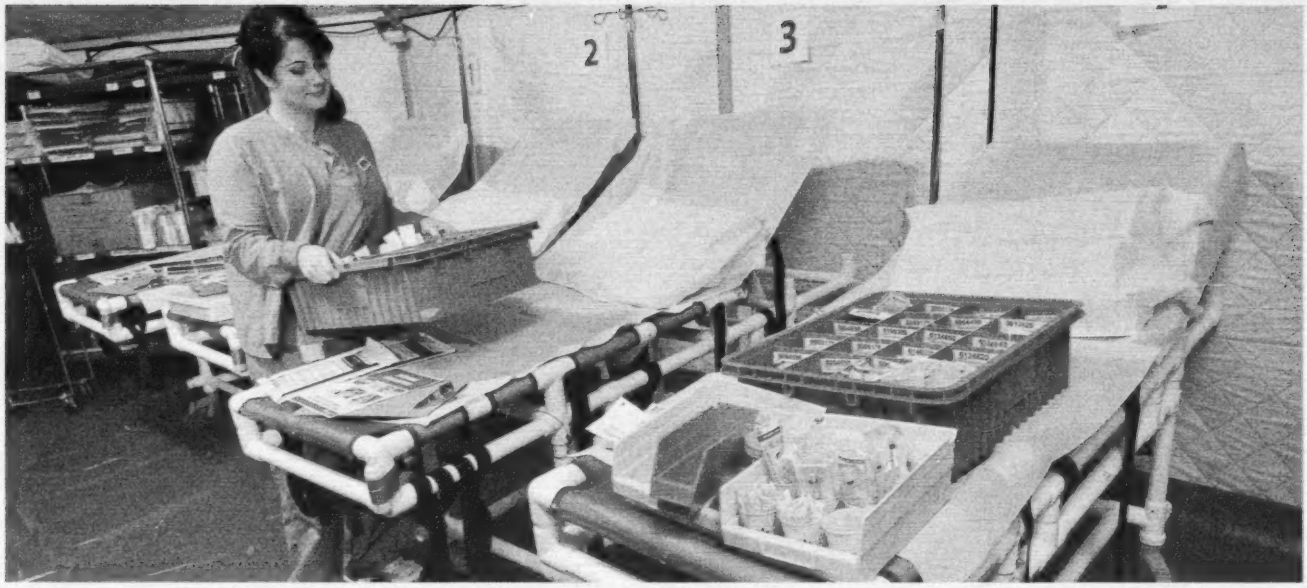
Respect	We demonstrate respect for one another, our patients, clients, communities and partners as we lead the evolution of health care.
Accountability	We display integrity; act honestly; and evaluate and improve the quality, safety and effectiveness of our services and the outcomes of our decisions. We use best practice to promote excellence, innovation and continuous improvement.
Transparency	We value open, honest and timely communication. We disclose information to learn from our mistakes; make available easy-to-understand information about system and financial performance; and clearly lay out our expectations and decision-making processes.
Engagement	We collaborate with patients and their families, health care providers, research and education institutions, government and communities, and involve them in meaningful ways in decision-making processes.
Safety	We actively promote the safety and wellness of our communities, clients and patients. We can only achieve long-term success if we promote the workplace safety and well-being of our staff, physicians and volunteers.
Learning	We seek the best information available and find ways to employ it in our daily work. Learning to be the best also means supporting and promoting the development of new knowledge.
Performance	We perform at our highest potential when every person in AHS has a clear and well understood responsibility to improve their areas of performance every day.

OUR ACHIEVEMENTS

We continue to focus our attention on what matters most – the health of Albertans. AHS is working to continually improve the quality of care we provide to Albertans. In all areas of the province, significant progress is being made toward building a patient-focused, quality health system that is accessible and sustainable for all Albertans.

- We continue to improve wait times and patient experience within our emergency departments (ED), while ED visits increased by six per cent in 2013-2014 from 2011-2012. New ED protocols trigger immediate action to reduce wait times and provide additional capacity when demands on our health system reach critical thresholds. In addition, our EDs aim to reduce the number of avoidable visits by seniors, by assessing and caring for seniors and, when medically appropriate, safely discharging them with home care and other community supports.
- We renovated and expanded the ED at the Queen Elizabeth II Hospital in Grande Prairie, which doubled the number of ED trauma rooms and treatment spaces, and expanded the patient waiting area.
- In November 2013, we opened a new Central Alberta Cancer Centre in Red Deer, bringing radiation treatment for local cancer patients closer to home and improving overall cancer care in the region. The centre is four times the size of Red Deer's previous cancer facility – and will treat breast, lung, prostate, bladder and gastrointestinal cancer cases, as well as patients requiring palliative care.
- Primary care is the first point of contact a person has with the health system – typically provided by family physicians, nurses, dietitians, mental health professionals, pharmacists, therapists, and others. We have increased access to primary care through the introduction and expansion of Family Care Clinics and Primary Care Networks. We have also added over 700 more doctors since 2011.
- Alberta's seniors have more continuing care beds, more living options and more opportunities to be safe, healthy and independent in their own homes. AHS added over 300 new continuing care and palliative beds in facilities across the province in 2013-2014. We have opened over 3,300 new continuing care spaces since 2010 as part of a strategy to increase access and care choices for seniors. We also opened a new continuing care facility in Strathmore in October 2013.
- We have reduced average wait times in the hospital for placement into continuing care by 43 per cent since 2010-2011 from 54 days to 31 days in 2013-2014.
- The South Health Campus hospital opened in Calgary with over 2,400 full-time equivalent staff, approximately 180 physicians, 269 inpatient beds and 11 operating rooms, and it will annually see 200,000 outpatient visits and perform 2,500 births.
- We have seen significant increases in the volumes of surgeries during the last year: over 700 additional cataract surgeries were performed and more than 130 additional hip and knee procedures were done.

Myrna Kelley, Nurse Manager at the Central Alberta Cancer Centre, which officially opened in Red Deer November 25, 2013, bringing radiation therapy to the area for the first time. With the opening of the new centre, Red Deer became the fourth city in the province to offer radiation therapy as part of a provincewide strategy to open a corridor of cancer care treatment centres across Alberta.



A portable isolation tent outside Chinook Regional hospital helped keep patients with suspected measles away from Emergency Departments and doctors' offices.

- We helped prevent further spread of measles by undertaking a coordinated approach to assessment and immunization through zone emergency operations centres, and by activating the provincial Emergency Coordination Centre. Thousands of individuals were assessed, immunized and advised around Alberta.
- We have cut wait times for key procedures – reduced wait time for hip replacements by 15 days, knee replacements by 49 days and cataract surgeries by 113 days, since 2010-2011.
- Our hand hygiene compliance rates have improved by 32 per cent over the past three years, which protects our patients by reducing the risk of infection.
- Research has led to a number of innovations such as using a portable lung perfusion device to repair damaged lungs outside of the body so they can be used for transplant; and complex, life-saving surgeries including the province's youngest heart and lung transplant patient and the first time in Canada for a series of life-saving liver cell transplants in an infant.
- As a provincial organization, AHS is able to respond to crises and support each other regardless of location. We saw this in the devastating flooding in the south, a wildfire in the north and the coordinated team effort to protect thousands from influenza. Staff and physicians have been able to mobilize to respond to these crises effectively and quickly.
- We have worked with the 12 Health Advisory Councils and the two Provincial Advisory Councils to establish a Council of Chairs. The Council provides advice and feedback to the Official Administrator, helping to bring the voice of Albertans to decision-making at a provincial level at AHS.

Urology physicians are committed to always following proper hand hygiene practices with every patient, every time. "Physicians are role models for the residents we work with," says Dr. Eric Estey. "Now when we do morning rounds we enforce hand hygiene before every patient contact, and the residents are doing it routinely as well. It's just become habit." Shown here are Dr. Eric Estey, Chief of Surgery, Royal Alexandra Hospital and Dr. Winston Tao, a surgical resident performing hand hygiene prior to entering a patient's room.

AHS TODAY

A snapshot

Alberta Health Service has made considerable progress on the journey to better health care in this province. However, like many areas in Canada and beyond, Alberta's health care system is facing challenges now and in the future.

Alberta's population is growing and aging

Alberta is the fastest-growing province in Canada with a population of four million people. Over the past 10 years (2003-2013), Alberta's population growth rate has been twice the national average (2.4 per cent and 1.1 per cent respectively). More people in the province means more demand on our health care resources.

Albertans are living longer. Albertans born in 2013 are expected to live to 81.7 years of age; that's up from the 79.6 years expected for Albertans born in 2000. As we age, we depend more on the health care system. It is projected that by 2031, one in five Albertans will be over the age of 65.

Did You Know? Approximately 30 per cent of Albertans report having at least one chronic health condition and that number increases to over 75 per cent if you are 65 years of age or older. By 2030, there is projected to be a 65 per cent increase in the number of new cancer cases annually both because of Alberta's aging population and projected population growth.

Different populations in the province have different health needs

We know the majority of Albertans are healthy and we need to support them in staying healthy. We know a substantial number of Albertans may not be receiving the health care they need, where they need it. We also know that some populations are more vulnerable to poor health outcomes than others. For example, people living in poverty experience a disproportionate burden of ill health.

We must better understand the health needs of our population. We are focused on talking and listening to Albertans. Patient, family and community engagement is critical to gaining the understanding that will improve the health system and result in better health for the nearly four million people who live here.

Did You Know? Many Albertans have complex conditions such as diabetes, congestive heart failure, chronic obstructive pulmonary disease and mental health challenges. Their needs are often met through hospital settings when their care could be managed better in the community.

Increased demand for health services increases the costs of delivering care

We will continue to focus on improving patient care and experience. This includes access to services, actions to improve emergency department flow, using the inpatient beds we have most effectively, and improving the transitions to continuing and other community-based care.

While we work to improve the services we provide and the health outcomes for Albertans, we must also address the cost and sustainability of services. We are facing service and cost pressures as a result of increased activity and growth in the province and we must continue to be responsible managers of our human, financial and capital resources.

Did You Know? Strategic Clinical Networks are teams comprised of health care providers, researchers, patients and policy makers who are finding better ways to deliver health care by sharing research, experiences and wisdom across the province."

OUR DIRECTION

Alberta Health and AHS will work together to improve patient experience and quality of care, health outcomes, and the sustainability of the health care system. To do this, AHS has identified three strategic directions which will focus our work over the next three years.

Strategic Direction – *Bringing Appropriate Care to the Community*

Goal 1: Build a strong integrated community and primary health care foundation to deliver appropriate, accessible and seamless care.

Strategic Direction – *Partnering for Better Health Outcomes*

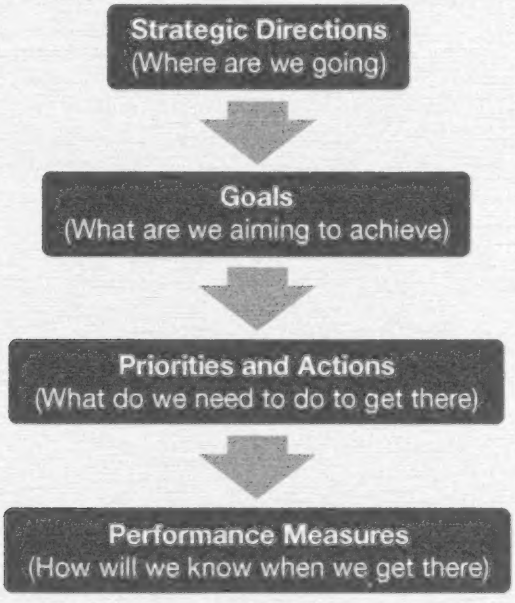
Goal 2: Actively engage Albertans as partners and provide them with the support they need to enhance control over the factors that affect their health and the health of their families.

Goal 3: Advance the adoption of evidence-informed practices in the delivery of quality services across the continuum through partnerships with providers, academic institutions, physicians and others.

Strategic Direction – *Achieving Health System Sustainability*

Goal 4: Continue to build a sustainable, quality health system that is patient-centred, driven by outcomes and informed by evidence.

These strategic directions and goals are not mutually exclusive. Actions in one area can, and should, support or complement actions in another. Significant initiatives and actions undertaken in support of the directions and objectives will span the short, medium and longer terms. In addition, performance measures, developed in collaboration with Alberta Health, will help us determine progress in each of our strategic directions.



OUR GOALS

The Alberta Quality Matrix for Health, a tool developed by the Health Quality Council of Alberta to advance quality in Alberta's health care system, will help us focus on our strategic directions. The Quality Matrix describes four distinct but inter-related areas of need: Being Healthy, Getting Better, Living with Illness or Disability and End of Life.

The areas of need represent how a patient's health and health care needs may change over the course of their life.

Being Healthy	Achieving health and preventing occurrence of injuries, illnesses, chronic conditions and resulting disabilities.
Getting Better	Care related to acute illness or injury.
Living with Illness or Disability	Care and support related to chronic or recurrent illness or disability.
End of Life	Care and support that aims to relieve suffering and improve the quality of living with or dying from advanced illness or bereavement.

The following symbols will be used to identify AHS priorities according to the areas of need. System-wide priorities are those that address more than one area of need:

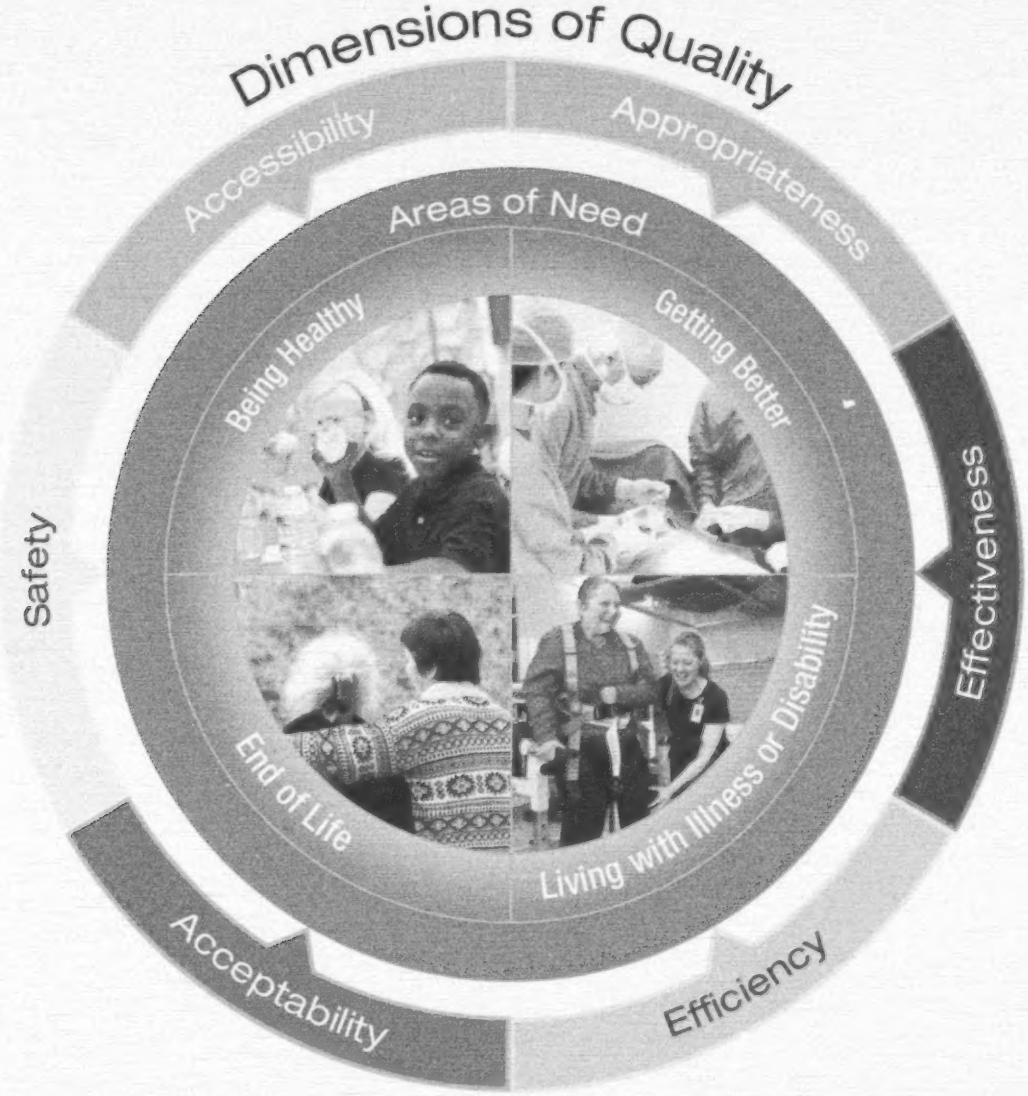
Symbols	Areas of Need
	Being Healthy
	Getting Better
	Living with Illness or Disability
	End of Life
	System-wide Priorities

In order to focus our work for the next three years, we have developed specific goals within each of our strategic directions. These goals have associated priorities and actions that we have set to drive us forward each year. We will track our progress in achieving these goals through performance measures and evaluation to improve outcomes as appropriate. Our performance measures are organized by the Alberta Quality Matrix for Health, which describes six dimensions of quality.

Acceptability	Health services are respectful and responsive to user needs, preferences and expectations.
Accessibility	Health services are obtained in the most suitable setting in a reasonable time and distance.
Appropriateness	Health services are relevant to user needs and are based on accepted or evidence-based practice.
Effectiveness	Health services are provided based on scientific knowledge to achieve desired outcomes.
Efficiency	Resources are optimally used in achieving desired outcomes.
Safety	Mitigate risks to avoid unintended or harmful results.

Understanding, defining and setting goals and also measuring quality are vital in creating a high performing health care system. The framework provided by the Alberta Quality Matrix for Health helps us organize information and thinking around the complexity of the health system and also provides a common language, understanding and approach to quality for health system users, providers and organizations.

The Alberta Quality Matrix for Health shows how the areas of need relate to, and are impacted by, the dimensions of quality. This is graphically represented below.



A health care system that is successful in all quality dimensions, and across all areas of need, will be far better at meeting the needs of Albertans and providing quality health services. Albertans will experience care that is more responsive, available, integrated, reliable, and less wasteful, while being safer.

See Appendix I for a high level summary of 2014-15 initiatives presented by AHS responsibilities from the Regional Health Authorities Act and Alberta Quality Matrix for Health areas of need.

BRINGING APPROPRIATE CARE TO THE COMMUNITY

Albertans want more access to the health system so that health care is available when, and where, they need it. We need to ensure that our health care system is used appropriately and effectively, and we need to shift care to the community where Albertans can access it best. In order to be successful, service providers need to understand the health needs of Albertans and their communities. Alberta Health Services is continuing its work with the Health and Provincial Advisory Councils to better understand the needs of Albertans and their communities. AHS is also working with the Aboriginal Wisdom Council to support a collective understanding and better response to the needs of First Nations, Métis and Inuit people.

Our goal is to:	• Build a strong integrated community and primary health care foundation to deliver appropriate, accessible and seamless care.

Enhance primary health care

Primary health care is the first point of contact a person has with the health system. It is often provided in the community, closer to home. AHS supports all Albertans having access to a primary health care team and a range of health care and social service providers, no matter where they enter the system. We know that stronger primary health care leads to better health outcomes and more efficient health care delivery. By beginning health promotion and prevention activities early in life, we hope to help prevent or minimize health conditions that may arise later in life.

In 2014-15, we will:

- Under the leadership of Alberta Health, work with communities to assist in planning for additional Family Care Clinics (FCCs) across the province to provide extended hours and same-day access to health care teams, with services tailored to meet the needs of communities. FCCs will continue to evolve in the province, supported by the evaluation of clinics currently in place. Work will continue to develop and evaluate service delivery options for complex high needs populations served by FCCs.
- Continue to support Primary Care Networks (PCNs). As governance board members, AHS will continue to work with and further support PCNs. These are groups of family doctors who work with AHS and other health professionals to coordinate the delivery of primary health services for their patients. We will focus on measurement and evaluation for the PCNs, increased access to primary health care and integration of services to support continuity of care.
- Implement priority initiatives within the Addiction and Mental Health Strategy. This includes improving how children and youth access addiction and mental health services. In North Zone, for example, early work will include the development of a capacity plan to enhance inpatient and community capacity. In the Calgary Zone, new adolescent mental health inpatient beds will be added.
- Continue implementation of the Colorectal Cancer Screening Program. For example, the South Zone will focus on increasing the uptake of Fecal Immunochemical Testing (FIT) in partnership with family physicians, and the Central Zone will start work on a coordinated approach to improve access to physicians and diagnostics after a positive FIT test.

Provide better access to Emergency Medical Services

Access to Emergency Medical Services (EMS) is a vital component of comprehensive health care. Alberta Health and AHS continue to work together to improve efficiency and responsiveness of services.

In 2014-15, we will:

- Enhance EMS by working with Alberta Health to improve efficiency and responsiveness of ground and air ambulance, consolidate EMS dispatch, develop a strategy for a new Alberta air ambulance service delivery model that includes fixed wing and rotary wing air ambulances and develop an inter-facility patient movement strategy.

Supporting wellness and health

The health of individuals, families and communities is affected by several factors including the social determinants of health. These are the circumstances in which people are born, grow up, live, work and age. They also take into account the health care people receive over their lifetimes. While much of health care is focused on illness, supporting individuals in staying healthy and managing their own health is an essential component of a comprehensive health system. The health system alone cannot make people healthier. We must work with Albertans, other government departments, health service providers, communities, businesses and others to support individuals in taking personal responsibility for their health, and Albertans, in turn, need to understand how to manage their own health and that of their families.

Over the next three years, we will partner with Government of Alberta (Alberta Health) to support the following priorities:

- Early childhood development
- Enhancements to cancer prevention
- Tobacco reduction
- Improvements to immunization rates
- Expanded health information to the public through the Personal Health Portal, MyHealth.Alberta.ca

Provide continuing care living options

With the growing population of older Albertans and increased health care needs in the province overall, we need more living options and alternatives to facility living. AHS is striving to provide patients and families with care where they want it most, in their homes and in their communities. AHS is expanding continuing care options, standardizing and enhancing home care, and working with patients and their families to determine how we can best provide end-of-life care.

In 2014-15, we will:

- Continue to work with Alberta Health to develop the Continuing Care Strategy. This work includes further expanding living and service options for those needing supportive living or long-term care.
- Focus on the quality of service delivery in continuing care, and implement improvements where required. Particular emphasis will be placed on patient and family experience.
- Enhance home care by expanding complex and basic adult day programs, and by additional (24/7) nurse support, respite care, geographic teams of care and self-managed care.
- Continue to develop and begin implementation of the Palliative and End of Life Care Strategy to support Albertans being cared for and dying in their place of choice.

How will we measure progress?

The following measures will be used to assess our progress in increasing access to community-based services such as continuing care living options and in reducing inappropriate use of emergency department and other services.

AHS PERFORMANCE MEASURES	Performance 2012-13	Target 2014-15	Target 2015-16
Emergency Department Length of Stay for Discharged Patients How long does a patient stay in the emergency department before going home if they don't need to stay in hospital? *The average patient's length of time in the emergency department before being discharged at the 17 busiest emergency departments.*	3.1 hours	3.0 hours	2.8 hours
Early Detection of Cancer Are we diagnosing cancer in its early stages? *The percentage of patients with breast, cervical and colorectal cancers who are diagnosed at early stages.*	66% 2011-12	67%	70%
Continuing Care Placement How many people are placed in continuing care within a month? *The percentage of people placed into continuing care within 30 days of being assessed and approved.*	67%	68%	70%
Satisfaction with Long-Term Care Are families satisfied with the long-term care their loved ones received? *The percentage of families of long-term care residents who rated the overall care as 8, 9, or 10, where zero is the lowest level of satisfaction possible and 10 is the best.*	73% 2010-11	Survey done every 2 years	78%
Mental Health Readmissions Are mental health patients returning to hospital unexpectedly? *The percentage of mental health patients with unplanned readmission to hospital within 30 days of leaving hospital.*	9.6%	9.6%	9.5%

A complete list of performance measures and the related Dimension of Quality is available in Appendix II.

PARTNERING FOR BETTER HEALTH OUTCOMES

AHS will encourage and create an environment in which people can have enhanced control over their health, the health of their families and the health of their communities. We also need to hear from Albertans to ensure we are supporting them in achieving better health and better health outcomes. Our plans and actions in this area are outlined below.

Our goals are to:	• Actively engage Albertans as partners and provide them with the support they need to enhance control over the factors that affect their health and the health of their families. • Advance the adoption of evidence-informed practices in the delivery of quality services across the continuum through partnerships with providers, academic institutions, physicians and others.

Improve quality

The improvement of the quality of our services and the promotion of best possible care through the application of best practices and standards continue to be a critical focus of our work. We are evaluating Alberta's health services against national accreditation standards, and we are working to ensure all standards are met. The staff, physicians and volunteers of AHS are also key partners in health and their voices will help us build a system that makes best use of their talents and improves the quality, outcomes and value of our health system. This work includes enabling high-performance teams, and using quality processes and measures to enable collaborative care and a patient-centred approach. These and other actions identified in this plan work together to support us in improving service and meeting our performance targets. For example, actions to improve acute care flow, increase continuing care capacity and enhance home care services will contribute to addressing pressures in emergency departments and improving patient and family satisfaction.

In 2014-15, we will:

- Develop our Patient First Strategy to enhance patient-focused care and improve patient satisfaction. For example, in the North Zone a patient-centred community engagement plan will be developed that focuses on patient experience and outcomes and provincially, we will enhance patient and resident meal experience in acute and continuing care.
- Enhance acute care flow through the CoACT initiative (a consolidation of the workforce model transformation, care transformation and path to home projects). This initiative is committed to putting people first, enabling high-performing teams, and using quality processes and measures to ensure patient-centred, collaborative care and smooth transitions between levels of care. This work has begun in the Edmonton Zone and will be expanded to other zones. For example, Central Zone has identified Red Deer Regional Hospital as a priority for improving patient flow.
- Focus on accreditation standards, such as reprocessing and sterilization of reusable medical devices, infection prevention and control, and hand hygiene. We will also implement a stewardship program to promote wise use of antimicrobials.
- Focus on quality improvement and ongoing performance monitoring and measurement, such as a quality management framework, comprehensive diagnostic imaging quality assurance program, environmental services cleanliness audits and continued efforts to promote a patient safety culture.
- Improve cancer care in the province by improving patient flow in all Cancer Control sites and programs by making best use of space, people and equipment that will lead to improved access and better clinical outcomes and will contribute to a fiscally sustainable strategy for cancer treatment in Alberta. This will be supported by integrating and coordinating bone marrow transplant services in northern Alberta, establishing a patient-centred care approach to support coordination of services and enhancing performance reporting. Lung cancer surgeries and diagnostic procedures will be increased to improve rapid and coordinated access.

Incorporate research and innovation into decision-making

Strategic Clinical Networks (SCNs), which partner with others such as academic institutions, non-government organizations and research institutions, are key drivers for improving patient outcomes and satisfaction, and how we deliver health care. SCNs include clinicians, front-line health care providers and patients, and they will continue to use research and innovation in their daily work to improve the quality, outcomes and sustainability of services. SCN projects may be specific to the SCN or involve a variety of networks.

In 2014-15, we will:

Continue to implement key initiatives that include:

- developing treatment approaches for adult depression
- reducing wait times, improving access to operating rooms, improving outcomes of patients experiencing hip fracture, and preventing secondary hip fractures
- improving quality and availability of stroke care in rural Alberta
- identifying and supporting people at risk for heart disease and stroke
- improving access via electronic referral initially for lung and breast cancer surgery and joint replacement surgery
- implementing new and consistent ways of managing care before, during and after specific colorectal surgeries by focusing on mobility, nutrition, hydration and pain management
- standardizing surgical wait times based on patient's condition and level of urgency
- continuing the implementation of the Safe Surgery Checklist
- reducing the use of antipsychotic medications to improve outcomes of long-term care residents by better managing their anxiety and behavioral disorders, and enhancing their quality of life by reducing the use of potentially harmful drugs.

How will we measure progress?

The following measures will be used to assess our progress in improving the quality of the services we provide, reducing inappropriate use of emergency department and acute care services and reducing readmissions and preventing hospital-acquired infections.

AHS PERFORMANCE MEASURES	Performance 2012-13	Target 2014-15	Target 2015-16
Satisfaction With Hospital Care Are patients satisfied with their hospital care? *The percentage of adult patients who rated their overall care in hospital as 8, 9, or 10, where zero is the lowest level of satisfaction possible and 10 is the best.*	81%	82%	84%
Emergency Department Wait to See a Physician How long are patients waiting to see a physician in the emergency department? *The average patient's length of time in the emergency department before being seen by a physician at the 17 busiest emergency departments.*	1.3 hours	1.3 hours	1.2 hours
Emergency Department Length of Stay for Admitted Patients How long does a patient stay in the emergency department before moving to a hospital bed? *The average patient's length of time in the emergency department before being admitted to a hospital bed at the 16 busiest emergency departments.*	8.7 hours	8.5 hours	8.2 hours
Access to Radiation Therapy How long do most patients wait to receive radiation therapy? *The length of time or less that 9 out of 10 patients wait to receive radiation therapy.*	3.0 weeks	2.8 weeks	2.6 weeks
Surgery Readmissions Are surgery patients returning to hospital unexpectedly? *The percentage of surgical patients with unplanned readmission to hospital within 30 days of leaving hospital.*	6.5%	6.4%	6.3%
Heart Attack Mortality Are patients dying in the hospital following a heart attack? *The percentage of patients dying in hospital within 30 days of being admitted for a heart attack.*	5.9%	5.9%	5.9%
Stroke Mortality Are patients dying in the hospital following a stroke? *The percentage of patients dying in hospital within 30 days of being admitted for a stroke.*	15.0%	14.3%	13.2%
Hospital-acquired Infections Are patients acquiring infections while in the hospital? *The number of Clostridium difficile (C-diff) infections acquired in hospital for every 10,000 days of care. A rate of 4.1 means approximately 100 patients per month acquire C-diff infections in Alberta.*	4.1	4.0	4.0
Hand Hygiene Are health care workers cleaning their hands to avoid spreading infections? *The percentage of times health care workers clean their hands during the course of patient care.*	59%	71%	80%
Hospital Mortality Are more patients dying in the hospital than expected? *The actual number of deaths compared to the expected number of deaths in hospital. Values less than 100 mean fewer than expected deaths. In Alberta, a rate of 84 means 850 fewer deaths in hospital than expected each year.*	84	84	84

A complete list of performance measures and the related Dimension of Quality is available in Appendix II.

ACHIEVING HEALTH SYSTEM SUSTAINABILITY

Becoming more efficient is a key to sustaining health services in this province. Increases in population and health care activity create even more need for continued focus on fiscal management. Efforts to examine cost of drugs and supplies and ensure the right bed types are available in the system are essential. Savings in cost and other resources resulting from increased efficiency can be reinvested to address areas of need and to support research and innovation. The 2014-15 Budget and Multi-Year Outlook presents the organization's financial picture (Appendix III).

Our goal is to:	• Continue to build a sustainable, quality health system that is patient-centred, driven by outcomes and informed by evidence.

Strengthen our provincial system

As the provincial health authority responsible for delivering services across the province, we continue to realize the benefits of a single health system. Decisions are made closest to where care is provided and these decisions are informed by research, our experience, provincial standards and guidelines, and our information and monitoring systems that tell us how we are doing.

In 2014-15, we will:

- Continue our commitment to deliver specialized provincial services to patients requiring complex interventions such as cardiovascular surgery and renal services.
- Develop service plans to address capacity issues and align services to population health and community needs. Preliminary focus will be on provincial organ and tissue donation and transplantation, obstetrical and surgical services in the South and Calgary Zones, long range service planning in Central Zone, and development of an implementation strategy for 2030 planning in the Edmonton Zone.
- Integrate the laboratory services delivery model that is responsive and improves quality and patient safety.
- Continue to enhance our preparedness for emergency disaster management. For example, in the South Zone we will update, refine and test a mass casualty response plan.

Key enablers to support delivery of services

The successful implementation of health system and service changes requires a wide variety of supports or enablers in order to be successful. Enablers include how we are organized; how we use our resources and engage our staff, physicians, patients and communities; how we support provincial and local initiatives; and how we apply research, technology and design information systems to improve care.

In 2014-15, we will:

- Continue to develop the health care workforce to support the delivery of the appropriate service by the appropriate provider in the appropriate place.
- Continue efforts to reduce occupational injury in AHS' workplaces.
- Develop and implement an organization-wide People Strategy that includes a focus on employee and physician engagement and annual employee and physician engagement surveys.

- Develop a five-year strategy to optimize the implementation of new information technology and information management to support the delivery of care on the front lines.
- Continue to develop and enhance clinical information systems in ambulatory and acute care settings across the province to leverage the value proposition of a provincially integrated health system.
- Ensure we are using the data we collect and analyze effectively to support informed clinical, operational and strategic decisions. This will include the development of the provincial health care analytics network as well as the continued implementation of the performance measurement and reporting framework.
- Continue to support the implementation of major capital projects in 2014-15. This includes the opening of the Strathcona Community Hospital commencing with a 24/7 emergency department and specialized ambulatory clinics.

Advancing discovery

AHS supports research and uses research-informed evidence, best practice and models to provide a roadmap to improved productivity and improved outcomes. Understanding health and related data is essential to monitoring, tracking and improving health system performance.

In 2014-15, we will:

Work with Alberta Health and other partners to further develop and implement strategies that focus on:

- increasing the province's capacity to use health and related data to inform research and develop services
- supporting health research and innovation through the Alberta Partnership for Research and Innovation in Health System (PRIHS) grants, and developing a research action plan to spread and implement innovations.

How will we measure progress?

The following measures will be used to assess our progress in improving the quality of the services we provide, reducing inappropriate use of emergency department and acute care services and reducing readmissions and preventing hospital-acquired infections.

AHS PERFORMANCE MEASURES	Performance 2012-13	Target 2014-15	Target 2015-16
Actual Length of Hospital Stay Compared to Expected Stay Are patients in hospital longer than needed? *The actual length of stay in hospital compared to the expected length of stay in hospital at the busiest hospitals. Every .01 drop in this ratio means we can treat over 3,200 more patients in hospital every year.*	0.98	0.97	0.96

A complete list of performance measures and the related Dimension of Quality is available in Appendix II.

MEASURING AND MONITORING OUR PROGRESS

The performance measures included in this document have been established in collaboration with Alberta Health. These measures are used to identify the gap between current and targeted performance in priority improvement areas. The measures play a key role in advising staff and physicians about our progress and where we may need to adjust actions to achieve the identified targets. Performance measures also play a key role in communicating with Albertans about how we are doing in providing and improving the quality of services that are important to them and the health of their families and communities.

CONCLUSION

Alberta Health Services is committed to supporting Albertans in being healthy, getting better, living with illness or disability, and through the stages of end of life.

This means that we will continue to focus on important areas such as access and flow in emergency departments and continuing care for example. The Alberta Quality Matrix for Health will help us focus our work on the needs of our patients and the communities we serve. There are many considerations and challenges to improve a health system, and we are working to address the pressures we face, while striving to ensure that the health care services we provide and our workforce are the right fit for the needs of Alberta's population. As we move toward our goals, evidence and research will support and inform the decisions we make, as we assess how we are doing and manage the changes necessary to continue to improve how we serve Albertans.

We know the benefits and advantages in being a single provincewide health system. The incredible staff, physicians and volunteers who provide health care every day are our cornerstones as we move forward in delivering the 2014-2017 Health Plan and Business Plan.

APPENDIX I:
Responsibilities under the Regional Health Authorities Act

Consistent with the Regional Health Authorities Act, the AHS Health Plan and Business Plan 2014–2017 outlines how the organization intends to fulfill its mandate over the next three years and includes the 2014-15 operating budget. The Health Plan presents key initiatives under each of the three Strategic Directions for the organization. Some high-level examples of these initiatives are presented below for illustrative purposes by Regional Health Authorities (RHA) Act areas of responsibility and the Alberta Quality Matrix for Health areas of need.

AHS RESPONSIBILITIES	AHS INITIATIVES 2014-15	AREAS OF NEED			
		Being Healthy	Getting Better	Living with Illness or Disability	End of Life
Promote and protect the health of the population of Alberta and work toward the prevention of disease and injury.	• Family Care Clinics	X		X	
	• Primary Care Networks	X	X	X	
	• People Strategy	X	X	X	X
	• Workplace health and safety	X	X	X	X
Promote the provision of health services in a manner that is responsive to the needs of individuals and communities and supports the integration of services and facilities in Alberta.	• Accreditation standards (including infection prevention and control)	X	X	X	X
	• Workforce alignment	X	X	X	X
	• CoACT		X		
	• Quality management	X	X	X	X
	• Enhanced clinical information systems		X	X	X
	• Laboratory services optimization	X	X	X	X
Assess, on an ongoing basis, the health needs of Albertans.	• Service planning	X	X	X	X
Determine priorities in the provision of health services in Alberta and allocate resources accordingly.	• Patient First Strategy	X	X	X	X
	• Strategic Clinical Networks	X	X	X	X
Ensure reasonable access to quality health services is provided in and through AHS.	• Addiction and Mental Health Strategy	X	X	X	
	• Continuing care options			X	
	• Palliative and end of life care				X
	• Enhanced home care			X	X
	• Emergency Medical Services	X	X		
	• Specialized provincial services		X	X	

APPENDIX II:
Performance Measures and Dimensions of Quality

Consistent with the Regional Health Authorities Act, the AHS Health Plan and Business Plan 2014–2017 outlines how the organization intends to fulfill its mandate over the next three years and includes the 2014-15 operating budget. The Health Plan presents key initiatives under each of the three Strategic Directions for the organization. Some high-level examples of these initiatives are presented below for illustrative purposes by Regional Health Authorities (RHA) Act areas of responsibility.

DIMENSIONS OF QUALITY	AHS PERFORMANCE MEASURES	Performance 2012-13	Target 2014-15	Target 2015-16
Bringing Appropriate Care to the Community				
Accessibility	**Emergency Department Length of Stay for Discharged Patients** How long does a patient stay in emergency department before going home if they don't need to stay in hospital? *The average patient's length of time in the emergency department before being discharged at the 17 busiest emergency departments.*	3.1 hours	3.0 hours	2.8 hours
Effectiveness	**Early Detection of Cancer** Are we diagnosing cancer in its early stages? *The percentage of patients with breast, cervical and colorectal cancers who are diagnosed at early stages.*	66% 2011-12	67%	70%
Appropriateness	**Continuing Care Placement** How many people are placed in continuing care within a month? *The percentage of people placed into continuing care within 30 days of being assessed and approved.*	67%	68%	70%
Acceptability	**Satisfaction with Long-Term Care** Are families satisfied with the long-term care their loved ones received? *The percentage of families of long-term care residents who rated the overall care as 8, 9, or 10, where zero is the lowest level of satisfaction possible and 10 is the best.*	73% 2010-11	Survey done every 2 years	78%
Effectiveness	**Mental Health Readmissions** Are mental health patients returning to hospital unexpectedly? *The percentage of mental health patients with unplanned readmission to hospital within 30 days of leaving hospital.*	9.6%	9.6%	9.5%
Partnering for Better Health Outcomes				
Acceptability	**Satisfaction with Hospital Care** Are patients satisfied with their hospital care? *The percentage of adult patients who rated their overall care in hospital as 8, 9, or 10, where zero is the lowest level of satisfaction possible and 10 is the best.*	81%	82%	84%
Accessibility	**Emergency Department Wait to See a Physician** How long are patients waiting to see a physician in the emergency department? *The average patient's length of time in the emergency department before being seen by a physician at the 17 busiest emergency departments.*	1.3 hours	1.3 hours	1.2 hours

DIMENSIONS OF QUALITY	AHS PERFORMANCE MEASURES	Performance 2012-13	Target 2014-15	Target 2015-16
Accessibility	**Emergency Department Length of Stay for Admitted Patients** How long does a patient stay in the emergency department before moving to a hospital bed? *The average patient's length of time in the emergency department before being admitted to a hospital bed at the 16 busiest emergency departments.*	8.7 hours	8.5 hours	8.2 hours
Accessibility	**Access to Radiation Therapy** How long do most patients wait to receive radiation therapy? *The length of time or less that 9 out of 10 patients wait to receive radiation therapy.*	3.0 weeks	2.8 weeks	2.6 weeks
Effectiveness	**Surgery Readmissions** Are surgery patients returning to hospital unexpectedly? *The percentage of surgical patients with unplanned readmission to hospital within 30 days of leaving hospital.*	6.5%	6.4%	6.3%
Effectiveness	**Heart Attack Mortality** Are patients dying in the hospital following a heart attack? *The percentage of patients dying in hospital within 30 days of being admitted for a heart attack.*	5.9%	5.9%	5.9%
Effectiveness	**Stroke Mortality** Are patients dying in the hospital following a stroke? *The percentage of patients dying in hospital within 30 days of being admitted for a stroke.*	15.0%	14.3%	13.2%
Safety	**Hospital-acquired Infections** Are patients acquiring infections while in the hospital? *The number of Clostridium difficile (C-diff) infections acquired in hospital for every 10,000 days of care. A rate of 4.1 means approximately 100 patients per month acquire C-diff infections in Alberta.*	4.1	4.0	4.0
Safety	**Hand Hygiene** Are health care workers cleaning their hands to avoid spreading infections? *The percentage of times health care workers clean their hands during the course of patient care.*	59%	71%	80%
Safety	**Hospital Mortality** Are more patients dying in the hospital than expected? *The actual number of deaths compared to the expected number of deaths in hospital. Values less than 100 mean fewer than expected deaths. In Alberta, a rate of 84 means 850 fewer deaths in hospital than expected each year.*	84	84	84
Achieving Health System Sustainability				
Safety	**Actual length of hospital stay compared to expected stay** Are patients in hospitals longer than needed? *The actual length of stay in hospital compared to the expected length of stay in hospital at the busiest hospitals. Every .01 drop in the ratio means we can treat over 3,200 more patients in hospital every year.*	0.98	0.97	0.96

Dimensions of Quality are not mutually exclusive and performance measures may impact more than one dimension of quality. Only the primary dimension is identified above.

APPENDIX III: 2014-15 BUDGET AND MULTI-YEAR OUTLOOK

Introduction

The 2014-15 budget is focused on providing the staff and resources to deliver quality health care services in Alberta. It is guided by the strategic directions and priorities set out in the Health Plan and local priorities set out in the operational plans for the zones.

Budget allocations maximize support for AHS' highest priorities. The budget is focused on providing the staff and resources to deliver quality health care services in Alberta. It includes:

- $10,631 million for zone operations, clinical support services and province-wide services;
- $2,462 million for quality improvement, facilities, information technology and other support services;
- $501 million for administration (3.7 percent of the total budget).

AHS will make new investments in priority areas such as continuing care, home care, acute care service pressures and quality.

As outlined in the AHS Health Plan 2014 – 2017, AHS is committed to:

- Bringing appropriate care to the community, including expanding living and service options for continuing care and enhancing home care programs to promote efficient and effective ways to deliver high quality, patient-focused care and support wellness and health;
- Partnering for better outcomes by improving access, quality of care and initiatives such as care pathways;
- Achieving health system sustainability by advancing the use of evidence, information, analytics and value for money assessment to support service delivery and performance improvements and by reducing overhead costs in order to increase resources available for front-line operations.

AHS is fiscally responsible and has a balanced operating budget as follows:

Figure 1: 2014-15 Budget Compared to 2013-14 Budget

(IN MILLIONS)	2013-14 Budget	2014-15 Budget	Difference	% change
Base operating grant from AH	10,521	10,731	210	2.0%
Other Revenue	2,834	2,863	29	1.0%
Total Revenue	13,355	13,594	239	1.8%
Total Expenses	13,355	13,594	239	1.8%
Operating Surplus (Deficit)	–	–	–	0.0%

2014-15 BUDGET

These budgeted financial statements have been prepared using consistent accounting policies and should be read in conjunction with the AHS annual audited consolidated financial statements and notes thereto.

The AHS budgeted financial statements are prepared on a consolidated basis and include the following:

- 3 wholly owned subsidiaries: Calgary Laboratory Services Ltd., Capital Care Group Inc., and Carewest;
- 30 controlled foundations and trusts;
- Provincial Health Authorities of Alberta Liability and Property and Insurance Plan;
- 50% interest in the 40 Primary Care Networks, 50% interest in the Northern Alberta Clinical Trials Centre joint venture.

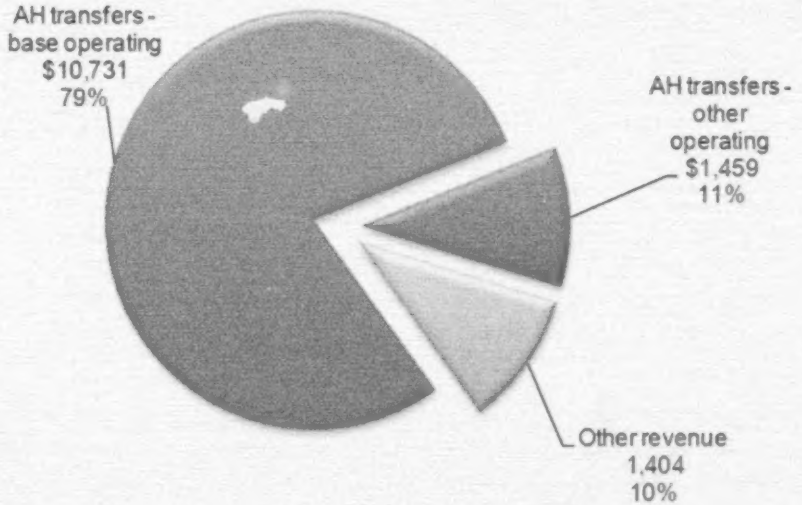
Revenues

In 2014-15, total revenues will be $13,594 million, an increase of 1.8 percent, or $239 million.

AHS operating revenues primarily consist of the base operating grant and restricted grants from Alberta Health (AH). The base operating grant from AH will be $10,731 million, an increase of 2.0 percent or $210 million over the 2013-14 budget. AH restricted transfers will be $1,459 million, an increase of 1.6 percent or $23 million. Included in the AH restricted transfers is $393 million for South Health Campus, Kaye Edmonton Clinic, and Strathcona Community Hospital.

Other revenues include federal and provincial (excluding AH) government contributions, investments, donations from foundations, trusts and individuals as well as revenue from ancillary operations such as parking, non-patient food services and sale of goods and services. Other revenues will be $1,404 million, an increase of 0.4 percent or $6.0 million, primarily due to increases to donations and investment income offset by decreases to capital grants and fees and charges.

Figure 2: 2014-15 Revenue Sources as a Percentage of Total Revenue



Expenses

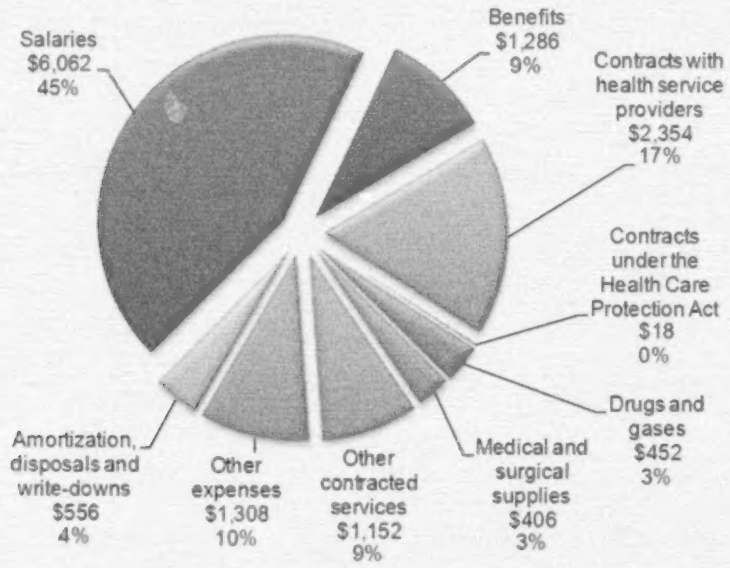
In 2014-15, expenses will equal $13,594 million, an increase of 1.8 percent, or $239 million. This represents an average daily spend of $37 million to support the health system in Alberta.

Expenses by Object

Salaries and benefits represent the largest expense at $7,348 million or 54 percent of total expenses. Physician fees and purchased services are reported under other contracted services. The majority of physician fees are funded directly by AH. Salaries are increasing by 2.8 percent, primarily due to the collective bargaining agreement increase for Alberta Union of Provincial Employees Auxiliary Nursing and volume increases related to new investments in acute and continuing care. Benefits are increasing by 6.8 percent and are primarily due to increased employer contributions to the Local Authorities Pension Plan, Canada Pension Plan increases and Employment Insurance increases. Benefits are also increasing proportionately to salaries for all volume increases.

All other expenses include clinical and corporate contracts, drugs and gases, medical surgical supplies, and other expenses. These expenses will be $6,246 million, a decrease of 0.1 percent or $8 million due to inflationary increases to contracts and an increase to the restricted drug grants, offset by reductions to corporate contracts and other expenses.

Figure 3: 2014-15 Expenses by Object



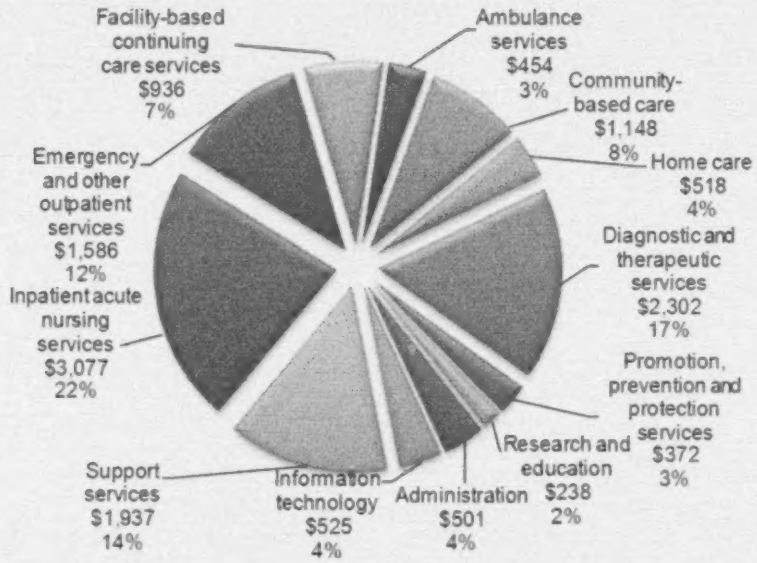
Expenses by Function

AHS reports its costs by categories that are consistent with guidelines established by the Canadian Institute for Health Information (CIHI). These categories facilitate consistent, comparable reporting across jurisdictions.

Consistent with the strategic direction of enhancing community-based services, the total budget for facility-based continuing care services, community-based services, home care and promotion, prevention and protection services is $2,974 million.

Budgets for inpatient acute nursing services and emergency and other outpatient services are also increasing as a result of pressures due to service demands, population growth, new technologies and cost inflation. In addition, since the majority of positions work in acute services, the majority of the benefit increases are also attributed to acute care. A focus on quality management initiatives such as hand hygiene is expected to improve patient care and mitigate cost growth. In addition, enhancing community-based services such as continuing care and home care will allow us to better meet patient needs and reduce pressure on acute care.

Figure 4: 2014-15 Expenses by Function



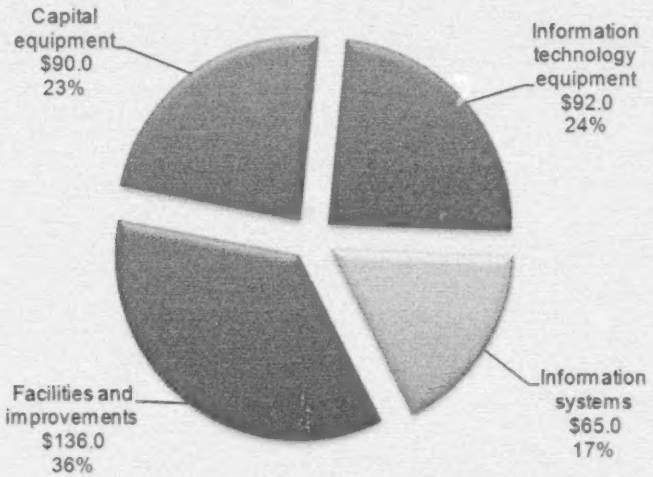
Capital Assets

The capital budget for 2014-15 will be $383 million. This includes $208 million of tangible capital assets purchased with internal funds and $175 million with external funds and debt.

Facilities, medical equipment and information technology are integral to AHS's clinical and business processes and are key enablers for transformation. Key investments in 2014-15 include:

- Facility enhancements and upgrades to maintain clean and healthy environments where infection control standards are met and facilities are maintained to provide a comfortable atmosphere;
- Equipment purchases and replacements in areas such as diagnostic imaging, cancer care, and other clinical equipment as prioritized by clinical operations;
- Information technology investments including equipment and infrastructure purchases and replacements such as disaster recovery, desktop operating systems, wireless access coverage, and upgrades in networks to enhance sustainability and reliability. In addition, systems investments including diagnostic imaging access, EMS dispatch, communicable disease and outbreak management, and clinical information system upgrades.

Figure 5: 2014-15 Capital Assets



KEY RISKS

AHS actively monitors and manages risks that may impact the achievement of its strategic directions. The Enterprise Risk Management (ERM) priority risk areas for AHS are:

Sustainable Workforce	Appropriateness of Care
Financial Sustainability	Patient Satisfaction
Patient Safety	Stakeholder Engagement

Risk mitigation plans have been developed for each priority risk area to guide risk management activities.

In addition to the priority risk areas, there are risks specific to the budget. AHS will actively manage these risks and implement mitigation strategies. These risks include:

Compensation:
Salaries and benefits account for a significant proportion of AHS's expenses. Collective agreements with the United Nurses of Alberta, the Alberta Union of Provincial Employees (General Support Services) and the Health Sciences Association of Alberta are all under negotiation. AHS has included a 0% budget increase for these agreements in 2014-15 consistent with the Alberta Government's direction on public sector salaries.

Service pressures:
Increasing demand for health care services may result in increased expenses. AHS is planning initiatives to ensure appropriate utilization of health care services in the right setting and to ensure quality and patient safety are maintained.

Cost inflation:
Expenses may be higher than anticipated due to increased cost inflation in areas such as drugs, medical and surgical supplies and contracted services. AHS is working on initiatives to mitigate cost increases, including contract reviews and bulk purchasing opportunities, along with work by Strategic Clinical Networks to promote evidence informed standards.

OUTLOOK / SUSTAINABILITY

Alberta public sector health spending includes both AHS spending as well as health care costs funded directly by Alberta Health such as physician costs. Growth in Alberta's health care spending averaged 10 percent per year from 2000 to 2010. The average growth rate slowed to 8.6 percent per year for the period 2003 to 2013.

Since 2008, AHS' expenses have grown by an average of 7.0 percent per year however the growth rate has slowed to 4 percent in 2013-14. This has been accomplished through focused efforts to manage labour costs, non-clinical contracted services and administration and overhead costs.

For 2014-15 and future years, key considerations are:

- AHS will receive 2.0 percent increases in the base operating grant from Alberta Health for 2014-15, 2015-16 and 2016-17;
- Significant cost pressures are anticipated as a result of population growth, aging and morbidity, increasing utilization of services, and increases in unit costs including compensation increases and inflation.

To achieve financial sustainability, AHS will enhance quality, manage cost growth and ensure value for money. This will include initiatives to manage unit costs, achieve operational efficiencies and productivity improvements and optimize service delivery. In addition, there will be focused efforts to strengthen community and primary health care to deliver care in the most appropriate setting.

MULTI YEAR OUTLOOK
YEARS ENDED MARCH 31

	2014 Budget (Note 3)	2015 Budget	2016 Outlook	2017 Outlook
Revenue:				
Alberta Health transfers				
Base operating grants	$ 10,521	$ 10,731	$ 10,946	$ 11,165
Other operating grants [1]	1,436	1,459	1,459	1,459
Capital grants	98	84	84	84
Other government transfers	389	402	402	402
Fees and charges	456	447	449	454
Ancillary operations	129	127	127	127
Donations, fundraising, and non-government grants	131	143	143	143
Investment and other income	195	201	201	201
TOTAL REVENUE	13,355	13,594	13,811	14,035
Expenses:				
Inpatient acute nursing services	3,004	3,077	3,147	3,220
Emergency and other outpatient services	1,530	1,586	1,619	1,652
Facility-based continuing care services	929	936	959	983
Ambulance services	421	454	465	477
Community-based care	1,164	1,148	1,170	1,192
Home care	501	518	531	544
Diagnostic and therapeutic services	2,234	2,302	2,352	2,404
Promotion, prevention and protection services	361	372	372	372
Research and education	252	238	238	238
Administration	481	501	496	491
Information technology	479	525	525	525
Support services	1,999	1,937	1,937	1,937
TOTAL EXPENSES	13,355	13,594	13,811	14,035
OPERATING SURPLUS	$ -	$ -	$ -	$ -

The accompanying notes and schedule are part of these consolidated budgeted financial statements.

[1] The New Facilities Grant of $393 million is reported under other operating grants.

CONSOLIDATED STATEMENT OF OPERATIONS
YEARS ENDED MARCH 31

	2015 Budget	2014 Budget (Note 3)	Change	% Change
Revenue:				
Alberta Health transfers				
Base operating grants	$ 10,731	$ 10,521	$ 210	2.0%
Other operating grants	1,459	1,436	23	1.6%
Capital grants	84	98	(14)	(14.3%)
Other government transfers	402	389	13	3.3%
Fees and charges	447	456	(9)	(2.0%)
Ancillary operations	127	129	(2)	(1.6%)
Donations, fundraising, and non-government grants	143	131	12	9.2%
Investment and other income	201	195	6	3.1%
TOTAL REVENUE	13,594	13,355	239	1.8%
Expenses:				
Inpatient acute nursing services	3,077	3,004	73	2.4%
Emergency and other outpatient services	1,586	1,530	56	3.7%
Facility-based continuing care services	936	929	7	0.8%
Ambulance services	454	421	33	7.8%
Community-based care	1,148	1,164	(16)	(1.4%)
Home care	518	501	17	3.4%
Diagnostic and therapeutic services	2,302	2,234	68	3.0%
Promotion, prevention and protection services	372	361	11	3.0%
Research and education	238	252	(14)	(5.6%)
Administration	501	481	20	4.2%
Information technology	525	479	46	9.6%
Support services	1,937	1,999	(62)	(3.1%)
TOTAL EXPENSES (Schedule 1)	13,594	13,355	239	1.8%
OPERATING SURPLUS	-	-	-	0.0%
Accumulated surplus, beginning of year [2]	1,279	1,011	268	26.5%
Accumulated surplus, end of year (Note 1)	$ 1,279	$ 1,011	$ 268	26.5%

The accompanying notes and schedule are part of these consolidated budgeted financial statements.

[2] The 2014-15 accumulated surplus at the beginning of the year has been prepared using the 2013-14 forecast prepared as of January 22, 2014 as the 2013-14 accumulated surplus at the end of the year was not available when the 2014-15 budget was prepared.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31

	2015 Budget	2014 Budget	Change	% Change
Assets:				
Cash and cash equivalents	$ 451	$ 885	$ (434)	(49.0%)
Portfolio investments	1,808	1,275	533	41.8%
Accounts receivable	400	400	-	0.0%
Other assets	39	37	2	5.4%
Tangible capital assets	7,496	7,192	304	4.2%
Inventories for consumption	97	110	(13)	(11.8%)
Prepaid expenses	96	75	21	28.0%
TOTAL ASSETS	$ 10,387	$ 9,974	$ 413	4.1%
Liabilities:				
Accounts payable and accrued liabilities	$ 1,419	$ 1,082	$ 337	31.1%
Employee future benefits	536	574	(38)	(6.6%)
Deferred revenue (Note 2)	6,718	6,887	(169)	(2.5%)
Debt	353	346	7	2.0%
TOTAL LIABILITIES	$ 9,026	$ 8,889	$ 137	1.5%
Net Assets:				
Accumulated surplus (Note 1)	$ 1,279	$ 1,011	$ 268	26.5%
Accumulated remeasurement gains and losses	14	11	3	27.3%
Endowments	68	63	5	7.9%
TOTAL NET ASSETS	$ 1,361	$ 1,085	$ 276	25.4%

The accompanying notes and schedule are part of these consolidated budgeted financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
YEARS ENDED MARCH 31

	2015 Budget	2014 Budget
Operating transactions:		
Operating surplus	$ -	$ -
Non-cash items:		
Amortization, disposals, and write-downs	556	560
Recognition of expended deferred capital revenue	(363)	(390)
Revenue recognized for acquisition of land	-	-
Bond amortization expense	8	12
Decrease (increase) in:		
Accounts receivable related to operating transactions	12	(32)
Inventories for consumption	3	(5)
Other assets	(27)	1
Prepaid expenses	(21)	(16)
Increase (decrease) in:		
Accounts payable and accrued liabilities related to operating transactions	1	37
Employee future benefits	4	8
Deferred revenue related to operating transactions	(59)	37
Cash provided by operating transactions	114	212
Capital transactions:		
Acquisition of tangible capital assets	(383)	(410)
Increase (decrease) in accounts payable and accrued liabilities related to capital transactions	236	13
Cash applied to capital transactions	(147)	(397)
Investing transactions:		
Purchase of portfolio investments	(3,641)	(2,339)
Proceeds on sale of portfolio investments	3,408	2,402
Cash provided by (applied to) investing transactions	(233)	63
Financing transactions:		
Deferred capital revenue received	120	144
Deferred capital revenue returned	-	(2)
Deferred capital revenue payable transferred from (to) accounts payable and accrued liabilities	-	-
Proceeds from debt	10	-
Principal payments on debt	(15)	(18)
Cash provided by (applied to) financing transactions	115	124
Net increase (decrease) in cash and cash equivalents	(151)	2
Cash and cash equivalents, beginning of year [3]	602	883
Cash and cash equivalents, end of year	$ 451	$ 885

The accompanying notes and schedule are part of these consolidated budgeted financial statements.

[3] The 2014-15 cash flow has been prepared using the change between the March 31, 2015 budgeted statement of financial position and the forecasted statement of financial position prepared as of January 22, 2014 as the March 31, 2014 statement of financial position was not available when the 2014-15 budget was prepared.

CONSOLIDATED STATEMENT OF ACCUMULATED REMEASUREMENT GAINS AND LOSSES
YEARS ENDED MARCH 31

	2015 Budget	2014 Budget	Change	% Change
Balance, beginning of year[4]	$ 14	$ 2	$ 12	600.0%
Unrestricted unrealized net gains on portfolio investments	5	6	(1)	(16.7%)
Amounts reclassified to the Consolidated Statement of Operations related to portfolio investments	(5)	3	(8)	(266.7%)
Net remeasurement gains (losses) for the year	-	9	(9)	(100.0%)
Balance, end of year	$ 14	$ 11	$ 3	27.3%

The accompanying notes and schedule are part of these consolidated budgeted financial statements.

[4] The balance as at April 1, 2014 has been prepared using the annual 2013-14 forecast prepared as of January 22, 2014 as the balance as at March 31, 2014 was not available when the 2014-15 budget was prepared.

SCHEDULE TO THE
CONSOLIDATED BUDGETED
FINANCIAL STATEMENTS
(millions of dollars)

NOTES TO THE CONSOLIDATED BUDGETED FINANCIAL STATEMENTS
MARCH 31, 2015

Note 1 Accumulated Surplus

	Unrestricted net assets (deficiency) (a)	Reserves for future purposes (b)	Net assets invested in tangible capital assets	Accumulated surplus
Balance as at March 31, 2014 [5]	$ 287	88	904	1,279
Operating surplus	-	-	-	-
Tangible capital assets purchased with internal funds	(208)	-	208	-
Amortization of internally funded tangible capital assets	193	-	(193)	-
Repayment of debt used to fund tangible capital assets	(15)	-	15	-
Transfer of reserves for future purposes	6	(6)	-	-
Balance as at March 31, 2015	$ 263	$ 82	$ 934	$ 1,279

(a) Unrestricted Net Assets

Unrestricted Net Assets represents the portion of accumulated surplus that has not already been invested in tangible capital assets or reserved for future purposes.

(b) Reserves

The Official Administrator has approved the budgeted restriction of net assets for future purposes as follows:

	March 31, 2015 Budget	March 31, 2014 Budget
Cancer research reserve (i)	15	27
Parkade infrastructure reserve (ii)	55	47
Specific local initiatives reserve (iii)	12	26
Reserves for future purposes	82	100
Invested in tangible capital assets (v)	934	957
	$ 1,016	$ 1,057

(i) Restriction of operating net assets to fund cancer research.
(ii) Restriction of parking services surpluses to establish a parking infrastructure reserve for future major maintenance, upgrades, and construction.
(iii) Restriction of operating net assets for specific local initiatives as a result of local fundraising.
(iv) Restriction of net assets equal to the net book value of internally funded tangible capital assets as these net assets are not available for any other purpose.

[5] The balance as at April 1, 2014 has been prepared using the annual 2013-14 forecast prepared as of January 22, 2014 as the balance as at March 31, 2014 was not available when the 2014-15 budget was prepared.

SCHEDULE TO THE
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Note 2 Deferred Revenue

	March 31, 2015 Budget	March 31, 2014 Budget
Unexpended deferred operating revenue	$ 360	$ 594
Unexpended deferred capital revenue	146	57
Expended deferred capital revenue	6,212	6,236
	$ 6,718	$ 6,887

Note 3 Reported Budget

	Board Approved Budget	Reclassifications	Reported Budget
Revenue:			
Alberta Health transfers			
Other operating grants	$ 1,446	$ (10)	$ 1,436
Investment and other income	185	10	195
Expenses:			
Emergency and other outpatient services	1,505	25	1,530
Facility-based continuing care services	919	10	929
Community-based care	1,199	(35)	1,164
Promotion, prevention and protection services	365	(4)	361
Support services	1,995	4	1,999

In 2013-14, AHS identified the following programs that should be reclassified to be consistent with the Canadian Institute of Health Information (CIHI) definitions:

(i) $40 million related to community cancer clinics and outpatient cancer drugs were reclassified from community-based care to emergency and other outpatient services.
(ii) $15 million related to midwifery was reclassified from emergency and other outpatient services to community-based care.
(iii) $10 million related to high cost drugs in Calgary was reclassified from community-based care to facility-based continuing care services.
(iv) $4 million related to emergency preparedness was reclassified from promotion, prevention and protection services to support services.

Additionally, the budget was reclassified in 2013-14 for the following the present the AHS budget values appropriately:

(v) $10 million of physicians' service revenue was reclassified from Alberta Health transfers other operating grants to investment and other income.

SCHEDULE TO THE
CONSOLIDATED BUDGETED
FINANCIAL STATEMENTS
(millions of dollars)

SCHEDULE 1 – CONSOLIDATED SCHEDULE OF EXPENSES BY OBJECT
YEARS ENDED MARCH 31

	2015 Budget	2014 Budget	Change	% Change
Salaries	$ 6,062	$ 5,897	$ 165	2.8%
Benefits	1,286	1,204	82	6.8%
Contracts with health service providers	2,354	2,314	40	1.7%
Contracts under the Health Care Protection Act	18	18	-	0.0%
Drugs and gases	452	412	40	9.7%
Medical and surgical supplies	406	385	21	5.5%
Other contracted services	1,152	1,212	(60)	(5.0%)
Other	1,308	1,353	(45)	(3.3%)
Amortization, disposals and write-downs	556	560	(4)	(0.7%)
	$ 13,594	$ 13,355	$ 239	1.8%


Alberta Health
Services